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STANDING COMMITTEE ON LABOUR AND WELFARE
(2003)

(THIRTEENTH LOK SABHA)

MINISTRY OF LABOUR

Action taken by the Government on the Recommendations/Observations contained in the Thirty-second Report of the Standing Committee on Labour and Welfare on Demands for Grants-2003-2004 of the Ministry of Labour.

THIRTY-FOURTH REPORT

LOK SABHA SECRETARIAT
NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON LABOUR AND WELFARE (2003)

Dr. Sushil Kumar Indora-CHAIRMAN

LOK SABHA MEMBERS

2. Shri Ashok Argal
3. Shri Denzil B. Atkinson
4. Smt. Sandhya Bauri
5. Shri Joachim Baxla
6. Shri Padmanava Behera
7. Shri Ashok Kumar Singh Chandel
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23. Dr. Vukkala Rajeswaramma
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26. Shri Y.S. Vivekanand Reddy
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RAJYA SABHA

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34. Shri Indramoni Bora
35. Shri Urkhao Gwra Brahma
36. Shri Sukhdev Singh Libra
37. Dr. (Mrs.) Kum Kum Rai
38. Shri Kanshi Ram
39. Shri Dilip Ray
40. Shri Jibon Roy
41. Smt. Savita Sharda
42. Shri Uday Pratap Singh

SECRETARIAT

1. Shri N.K.Sapra. - Joint Secretary
2. Shri J.P. Sharma - Director
4. Shri Bhupesh Kumar - Under Secretary
5. Shri S.K.Saxena - Assistant Director

INTRODUCTION

I, the Chairman of the Standing Committee on Labour and Welfare having been authorised by the Committee to submit the Report on their behalf, present this Thirty-fourth Report on the action taken by the Government on the recommendations contained in the Thirty-second Report of the Standing Committee on Labour and Welfare (Thirteenth Lok Sabha) on Demands for Grants-2003-2004 relating to Ministry of Labour.

2. The Thirty-second Report was presented to Lok Sabha and also laid in Rajya Sabha on 10 April, 2003. The Ministry of Labour furnished their replies indicating action taken on the recommendations contained in that Report on 24 June, 2003. The report was considered and adopted by the Standing Committee on Labour and Welfare at their sitting held on 11 December 2003.

3. The Report has been divided into the following chapters:-

I. Report.

II. Recommendations/Observations which have been accepted by Government.

III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's reply.

IV. Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.

V. Recommendations/Observations in respect of which replies of the Government are interim in nature.

4. An analysis of the action taken by Government on the recommendations contained in the Thirty-second Report of the Standing Committee on Labour and Welfare (Thirteenth Lok Sabha) is given in Appendix.

5. For the facility of reference recommendations/observations of the Committee have been printed in thick type in the body of the Report.

New Delhi:
December 2003
Agrahayana 1925 (Saka)

Dr. SUSHIL KUMAR INDORA,
Chairman
Standing Committee on Labour and Welfare

CHAPTER I

REPORT

1.1 This Report of the Committee deals with the action taken by the Government on the recommendations contained in the Thirty-second Report (Thirteenth Lok Sabha) of the Committee on Labour and Welfare on Demands for Grants-2003-2004 of the Ministry of Labour.

1.2 The Thirty-second Report was presented to Lok Sabha and also laid in Rajya Sabha on 10 April 2003. It contained 24 recommendations. Replies of Government in respect of all recommendations have been examined and are categorised as under :-

(i) Recommendations/Observations which have been accepted by the Government:
Paragraph Sl. Nos. 7,10,12,13,14,15 and 17

(Total 7 - Chapter II)

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government:
Paragraph Sl. Nos.2,5,6,9,11,18, 19 and 21.

(Total 8 - Chapter III)

(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:
Paragraph Sl. Nos. 4, 8, and 24.

(Total 3 - Chapter IV)

(iv) Recommendations/Observations in respect of which replies are of interim in nature:
Paragraph Sl. Nos. 1,.3,16,20,22 and 23

(Total 6- Chapter V)

1.3 The Committee desire that action taken notes on the recommendations contained in Chapter-I and final action taken notes in respect of the recommendations contained in Chapter-V of this Report may be furnished to it urgently, and in any case not later than three months of the presentation of this Report.

1.4 The Committee will now deal with the action taken replies of the Government which need reiteration or merit comments.

Recommendation (Sl. No.4, Para No.2.16)

Issuance of Identity cards to the remaining beedi workers

1.5 The Committee had noted that the Government had identified 44,88,469 beedi workers in various parts of the country but identity cards to 4,76,440 beedi workers were to be issued by them. The Committee had felt that in the absence of identity cards, the remaining workers would be deprived of the benefits under the welfare schemes. The Committee had, therefore, recommended to the Ministry of Labour to pursue with the State Governments for issuance of the identity cards to the remaining beedi workers.

1.6 The Ministry of Labour in their reply have stated that the figure of 4.5 million beedi workers is an estimate without an exact idea of its actual geographical spread. The Labour Welfare Organisation has not denied any bonafide worker who has desired for an identity card; so workers are not deprived of welfare benefits on account of this. The Labour Departments of various State Governments have time and again been requested to ensure that the employers issue identity cards to their workers as required under the Act. Moreover, State Governments are also, time and again, being reminded to organise issue of identity cards on campaign basis.

1.7 The Committee are surprised to note that the figure of 44,88,469 identified beedi workers provided by the Government do not seem to be realistic. Besides, 4,76,440 beedi workers are yet to be issued identity cards. The Committee further note that the identity card is a pre-requisite for extending benefits under the various welfare schemes to a beedi worker. In the opinion of the Committee both the Labour Welfare Organisations and the State Governments are equally responsible for not issuing identity cards to the remaining beedi workers and thus depriving them of the legitimate benefits of welfare schemes. The Committee, therefore, reiterate their earlier recommendation and recommend that the Ministry of Labour should monitor the scheme effectively and ensure that the remaining beedi workers are issued identity cards at the earliest. The Committee further desire that a fresh survey of beedi workers should be conducted expeditiously to identify the actual number of beedi workers in the country. Steps taken and progress achieved in this regard may be communicated to the Committee.

Recommendation (Sl. No.8, Para No.2.37)

Filling up of vacant posts in CGITs-cum Labour Courts

1.8 Keeping in view the piling up of pending cases and applications in various labour courts and also that the Ministry had failed to set up 5 new Central Government Industrial Tribunals (CGITs) at Ahmedabad, Chandigarh, Delhi, Ernakulam and Guwahati, which were proposed during the Ninth Five Year Plan, as the Ministry of Finance did not give concurrence to the creation of required number of supporting staff, the Committee had recommended the Ministry of Labour to take up this matter with the Ministry of Finance to set up these CGITs and also to fill up the two vacant posts of the Presiding Officers in 2 Courts at Kolkata and Nagpur without further delay.

1.9 The Ministry of Labour, in its action taken note furnished to the Committee has stated that the Labour Minister took up the matter with the Finance Minister and conveyed the concern of the Standing Committee and urged him to agree to the creation of posts. Thus, the concurrence of the Ministry of Finance was received on 6.3.2003 for creation of 25 posts. Action has already been initiated for nomination of Presiding Officers for the new CGITs-cum-Labour Courts and identification of sites for location of these courts.

1.10 Regarding filling up of two posts of Presiding Officers at Kolkata and Nagpur, the Ministry has stated that the names of eligible judicial officials received from the High Courts of Patna and Kolkata have been under submission for selection. Subsequently, a proposal of the selected names will be sent to the ACC for its approval. As regards the vacant post of PO at Nagpur, Registrars of the High Courts of Maharashtra, Madhya Pradesh, Gujarat, Tamil Nadu, Karnataka and Andhra Pradesh had been requested on 7.3.2003 and 31.3.2003 to send panels of names of eligible and willing judicial officials.

1.11 The Committee note with appreciation the efforts made by the Labour Minister in getting the concurrence of the Ministry of Finance for creation of 25 posts for setting up of 5 new CGIT-Cum-Labour-courts at Ahmedabad, Chandigarh, Delhi, Ernakulam, and Guwahati. The Committee desire that there should not now be any further delay on the part of the Ministry of Labour to set up these CGITs. Regarding the filling up of two posts of the Presiding Officers at Kolkata and Nagpur, the Committee are not satisfied with the reply of the

Ministry, as procedural wrangles have taken more than one-and-a-half year and the desired results are still awaited. The Committee, therefore, desire that these posts should be filled up without further delay. Progress made in this regard may be communicated to the Committee.

Recommendation (Sl. No.24, Para No.2.120)

Legislation for workers engaged in the fish processing industry

1.12 The Committee had noted that there was no legislation for about 1.5 lakh workers engaged in the fish processing industry for providing social security and regulating their service conditions. The Committee had, therefore, recommended the Government to bring a legislation in the Parliament in consultation with the State Governments to ameliorate the working and living conditions of the workers engaged in the fish processing industry thereby providing them the social security cover.

1.13 The Ministry has, in its reply stated that the Government had constituted an Inter-Ministerial Task Force to study the living and working conditions of the workers in the fish processing industries. The recommendations of the team include promotion of cooperatives, setting up of a centralized recruitment agency and enforcement of Inter-State Migrants Workmen Act, 1979, setting up of welfare fund and providing other facilities, such as banking facility, etc. within the workplace premises. The recommendations are being examined in consultation with the State Governments and other concerned to initiate appropriate measures for their welfare. A meeting at the level of Labour Secretary was also held in March 2002 with the concerned Ministries, Marine Product Export Development Authority (MPEDA), and the Seafood Association of India, etc. The Seafood Association of India and MPEDA were impressed upon to take suitable measures for improvement in the living and working conditions of the workers engaged in these units.

1.14 The Committee are concerned to note that several recommendations made by the Inter-Ministerial Task Force, which studied the living and working conditions of the workers engaged in the fish processing industry, have not been implemented by the Government. The Committee also note that the last meeting at the level of Labour Secretary was held in the month of March 2002 and

since then no progress has been made in this regard. While reiterating their earlier recommendation, the Committee desire that the Government should take urgent steps to ameliorate the working conditions of the workers engaged in fish processing industry, by bringing a suitable legislation before the Parliament without further delay.

CHAPTER-II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT.

Recommendation (Sl.No 7, para 2.19)

Coverage of all beedi workers under the scope of EPF Act

2.1 The Committee further note that more than 25 lakh beedi workers have not so far been covered under the Employees Provident Fund & Miscellaneous Provisions Act, 1952.The Committee are not happy with the situation and desire that the Employees Provident Fund Organisation should intensify its efforts to cover all the identified beedi workers under the Act. Steps taken in this regard may be communicated to the Committee.

Reply of the Government

2.2 There is a gap between the numbers of beedi workers and the beedi workers who are EPF members due to undermentioned reasons: -

i) The EPF & MP Act, 1952 is applicable to factories and establishments having 20 or more employees. There are a number of establishments employing beedi workers which do not fulfil the above criterion.

ii) About 44 lakh beedi workers are home based workers who work in far-flung, remote and inaccessible areas. There are some cases of under-reporting, many home based workers also resist the deductions from their wages towards PF contribution. Due to these reasons, field functionaries face problems in detecting the non-EPF members in beedi industry.

2.3 With a view to bridge the gap all Regional Provident Fund Commissioners have been asked to work in tandem with the Welfare Commissioners (WC) so that identified coverable beedi workers may be bracketed under the provisions of EPF & MP Act, 1952 and schemes framed thereunder. WCs have been requested to make available the personal profile and database of the card holders to match the same against EPF database in order to identify the beedi workers who are not EPF members but are eligible to be EPF member. Some large Regional Offices have started to hold workshops in conjunction with workers' representatives from Beedi Industry, Manufacturers Associations as well as Welfare Commissioners to identify all the coverable Beedi Workers.

[Ministry of Labour O.M. No1101/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.10, para 2.39)

Enhancement of pay structure of the Presiding Officers of Central Government Industrial Tribunals-cum-Labour Courts (CGITs)

2.4 The Committee regret to note that the Ministry, despite this Committee's repeated recommendations, has failed to make the terms and conditions for appointment of Presiding Officers in Labour Courts more attractive by placing them in suitable grades. The Committee also note that the National Judicial Pay Commission has also recommended for higher Pay Scales for Presiding Officers. The Committee, therefore, desire that the Ministry should intensify its efforts with the concerned authorities to enhance the pay structure of the Presiding Officers.

Reply of the Government

2.5 This Ministry has been in regular touch with the Ministry of Law and Justice on the course of action on Shetty Commission's recommendations. The Ministry of Law and Justice has advised the implementation of the Shetty Commission's recommendations by 01.04.2003 and that this Ministry should take a decision taking into consideration the qualification, manner of recruitment, etc. At present, the issue of revision of pay-scales of judicial officer of the UTs are under consideration of the Ministry of Law & Justice. The Ministry of Labour is awaiting a decision on the revision of pay-scales of judicial officers of UTs as UT officers are at par with Central Government officers in pay and allowances. Once a final decision is taken on the pay-scales of judicial officers of UTs, the revision of pay-scales of Presiding Officers will be taken up. The Ministry is in regular touch with the Ministry of Law and Justice in this regard.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.12, para 2.55)

Expeditious disposal of cases under the Mines Act, 1952

2.6 The Committee regret to note that the number of cases against the erring managements under the Mines Act, 1952 are piling up. The Committee further note that the Ministry of Law, Justice & Company Affairs has requested the Registrar Generals of various High Courts to designate one Judicial / Metropolitan Magistrate in the District exclusively to deal with the cases under the Act. The Committee are not happy with the situation as the disposal of cases in the year 2000 and 2001 is not satisfactory whereas in the year 2002, no case has been disposed of. The Committee, therefore, desire that the matter may be taken up with the concerned authorities for early disposal of the cases. Also for expeditious disposal of cases under the Act, sincere efforts should be made to set up Designated / Special Courts where the cases are pending for a longer time.

Reply of the Government

2.7 The Ministry of Labour in consultation with Ministry of Law and Justice requested the Registrar Generals of various High Courts, where the cases under the Mines Act, 1952 are pending, to designate one Judicial Magistrate/Metropolitan Magistrate exclusively to deal with such cases. The response received from various High Courts is given in the **Statement**. The Registrar Generals of the remaining High Courts have also been reminded from time to time to expedite the matter.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

STATEMENT REFERRED IN REPLY TO RECOMMENDATIONS NO.2.55

Name of the Court	Response Received
High Court of Allahabad	The Registrar General of High Court of Allahabad was pleased to nominate the Court of First Additional Chief Judicial Magistrate to deal with all the pending cases under the Mines Act, 1952. This Court was also directed to make the disposal of all these cases within a period of three months.
High Court of Patna	The Registrar General of High Court of Patna decided that the Sub Divisional Judicial Magistrate, Dhanbad be vested with the powers under the Mines Act, 1952 and to act as a Special Court. Directions were also issued that this Court should deal with the cases of the Districts of the State Bihar.
High Court of Rajasthan	The Registrar General of High Court of Rajasthan intimated that the Chief Judicial Magistrates have been directed to empower one of the Judicial Magistrates posted in the District to deal with these cases on priority basis. The progresses of these cases are being monitored by the Registrar General. District and Sessions Judges were also requested to monitor the progress of these cases.
High Court of Tamil Nadu	The Registrar General of High Court of Tamil Nadu intimated that the pendency of cases does not warrant constitution of a Special Court of Designated Court for these cases. However, Addl. District Judges-cum-Chief Judicial Magistrates have been directed to expedite the cases pending under the Mines Act, 1952.
High Court of Andhra Pradesh	The Registrar General of High Court of Andhra Pradesh intimated that only 36 cases are pending under the Mines Act and there is no necessity to designate one Court of Judicial Magistrate of First Class at District Head Quarters exclusively to deal with the cases filed under the Mines Act. However, necessary instructions has been issued to respective Judicial Magistrates to dispose off the eases filed under Mines Act, 1952 by giving day to day trial.
High Court of Mumbai	The Registrar of High Court of Mumbai intimated that it is not necessary to designate one Magistrate per District and Metropolitan Town specially for the trial of the cases under the Mines Act, 1952 because the pendency of the Mines Act cases is trifle as compare to pendency of cases of other Acts.
High Court of Punjab and Haryana	The Registrar of Punjab and Haryana High Court intimated that since the number of cases under the Mines Act are very meager, no special Court/Designate Court be set up in Haryana.
High Court of Madhya Pradesh	The Addl. Registrar of High Court of Madhya Pradesh have intimated that the proposal of designating one Judicial Magistrate in the Districts to deal with the cases under the Mines Act has been disapproved by this High Court.

Recommendation (Sl.No.13, para 2.73)

RECOVERY OF ESI ARREARS

2.8 The Committee note with concern that the amount of ESI dues against the defaulting employees is increasing year after year, particularly during 2001-2002 it has gone up to the tune of Rs.748.26 crore. Despite best efforts and taking over the task of recovery of arrears through its own recovery officers and also by taking necessary legal and penal action against the defaulters, the Corporation could realize only Rs.72.59 crore during 2001-2002 which is only 9.7% of the total arrears and 19.5% of the recoverable amount. The Committee are of the opinion that if the recovery position is not improved, the ESI Scheme would be financially weakened and become unviable. The Committee, therefore, recommended that the Corporation should gear up its machinery to realize the arrears expeditiously.

Reply of the Government

2.9 The following figures will show the revenue receipt of the ESI Corporation under the Act. The recovery of arrears in each year is also shown below.

(Rs. in crore)

Year	Contribution Income	Recovery of arrears
1997-98	1,187.32	37.51
1998-99	1,212.41	54.88
1999-00	1,257.77	65.17
2000-01	1,255.44	67.50
2001-02	1,249.91	72.59

2.10 From these figures, it can be seen that nearly 95% of the revenue receipt of the Corporation is by way of regular payments made by the employers without having to resort to the recovery action. Recovery action is initiated only after a series of measures are taken against defaulters. Improvement in revenue is brought about by better enforcement through increased inspections, various kinds of Demand Notices, Show-Cause-Notices and Assessment Orders etc. Only when all these measures fail, revenue recovery action is initiated. Therefore, it can be seen that the normal revenue collection by improved enforcement has been steady and in fact the revenue for the year 2002-03 is projected to be Rs.1,293.23 crore which is higher than preceding year.

2.11 The arrears reflected represent the arrears right from the beginning and in many cases the arrears go back to 30-40 years by yearly inclusion by way of new recovery notices and deletion by way of recovery. The net addition to the amount of arrears during the past five years comparatively is small as stated below: -

(Rs. in crore)

Year	**Arrears from A-day Up to the end of the year**	**Net addition**
1997-98	381.01	68.90
1998-99	452.28	71.27
1999-00	524.79	72.51
2000-01	649.80	125.01
2001-02	748.26	98.46

2.12 Out of the outstanding arrears as on 31.03.2002 which includes arrears of last several years, 50.28% of arrears are such against which no recovery action can be taken in view of Court stays, liquidation and winding up proceedings pending in the Courts or statutory bar due to act of Central Government and State Governments. Some of the factories and establishments have been closed long back and whereabouts of the employers are not known presently.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.14, para 2.74)

Monitoring of the functioning of ESI by the Ministry

2.13 The Committee are perturbed to note that most of the ESI Hospitals and dispensaries do not have super-speciality treatment, drugs & dressings and proper operation theatre for indoor patients/subscribers particularly in the State sphere. The Committee, during their field visit, have noticed that the hospitals run by the State Governments, there is acute shortage of medical, para-medical and other staff. In some of the hospitals run by the State Governments, equipments requisitioned could not be procured for more than a year. While taking a serious note of such state of affairs, the Committee are of the view that in the absence of doctors, medicines and equipments, the workers are not getting the proper Medicare under the ESI Scheme. The Committee, therefore, strongly recommend that the Ministry should monitor the functioning of the Corporation effectively and ensure that the medicines and equipments requisitioned by the hospitals are supplied in time and ESI Corporation should take necessary steps for filling up the vacancies of the medical, para-medical and other staff in the hospitals and dispensaries run by the Corporation without further delay.

Reply of the Government

2.14 ESI Corporation is providing medical services through a network of 141 hospitals, 1,453 dispensaries and 43 annexes. The medical services are being provided by the respective State Governments except for Delhi, Noida, Occupational Disease Centres and Model Hospitals.

2.15 The ESI is providing primary and secondary Medical care services through its own infrastructure, whereas for providing super-speciality tests and treatments, tie up arrangements are made with various governmental and non-governmental institutions.

2.16 To ensure proper supply of drugs and dressings, ESI Corporation has fixed Rs.170/- per IP family per annum, to be spent out of the allotted ceiling of Rs.600/- per IP family per annum (increased to Rs.700/- w.e.f. 1.4.2003). However, it has been observed that most of the State Governments do not spend the allocated funds for procurement of drugs and dressings.

2.17 To upgrade the Diagnostic facilities, Operation Theatres and various others departments in the Hospitals, the ESI Corporation has approved annual Action Plans for procurement and installation of modern equipment. Equipment like Ventilators, Ultra Sound, Pulse Oximeter, Cardiac Monitor with Defibrillator and Laproscopic Machines have been sanctioned under the Action Plans.

2.18 As regards provisions of medical, para-medical and nursing staff, ESI Corporation has provided norms of staffing. However, it is observed that most of the State Governments have not provided staff in most of the Hospitals as per the ESIC norms.

The matter is being repeatedly pursued by the ESI Corporation with respective State Governments.

2.19 It appears that the State Governments have their own difficulties in procuring equipment. The fund flow from ESI Corporation to the State ESI Schemes is through the respective State Governments Treasuries. It appears that due to deteriorating financial heath of most State Governments; they are often unable to release funds to the ESI Hospital despite best efforts. Hence, it is difficult to make timely purchases, resulting in inordinate delays. This matter has been taken up at the highest level and recently it has been decided that the funds for equipment be rooted through the respective Regional Directors of the ESIC. Seven State Governments have accorded their consent so far for this arrangement. It is expected that this will improve fund flow to the ESIC hospitals.

2.20 To monitor the ESI Schemes, Medical Referees, RDMCs, Regional Directors and Hqrs. officers visit and inspect medical facilities at the spot. The deficiencies noted are pointed out to the respective State Governments authorities for rectification and actions taken by them are also monitored.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.15, para 2.75)

Establishment of Model Hospitals by ESI

2.21 The Committee note that on 16 February 2001 the ESI Corporation approved the scheme for setting up of one model hospital in each State for which the entire expenditure shall be borne by the Corporation. The Budget provided for this purpose during 2002-2003 was Rs.130 core and Rs.50 crore for purchase of equipments and Rs.1,56,00,06,800 have been provided for these model hospitals during 2003-04. However, out of 16 States where these model hospitals were to be set up, only one hospital at Chandigarh has so far been commissioned and for the rest of the hospitals, the correspondence is going on with the State Governments. The Committee express their unhappiness that no significant progress has been made in this direction during the last two years. The Committee, therefore, desire that the Ministry should take up this matter at the highest level with the concerned State Governments and complete all the formalities for establishing the model hospitals without further delay.

Reply of the Government

2.22 ESI Corporation, in its meeting held on February 2001, decided to set up one Model Hospital in each State to provide state of art secondary care services. The present status of the model hospitals taken over and proposed to be taken over is given as per **Statement**.

2.23 After taking over the Model Hospitals, following steps have been taken for improvement of services:-

1. Staff has been sanctioned/is being sanctioned as per Norms of ESI Corporation. The staff already working in the hospital has been taken over on deputation and the respective State Govts. have been requested to depute additional staff against the vacancies existing in different categories of staff.
2. To upgrade and modernise the services of the hospitals, proposals have been received from the Medical Superintendents to purchase capital equipments. Sanction to the tune of Rs.250.10 lakh for ESI Hospital Nacharam, Rs.63.10 lakh for ESI Hospital, Jaipur and Rs.1.80 lakh for ESI Hospital, Sahibabad have already been conveyed. Sanctions for equipments for others hospitals are under process.
3. Drugs are being supplied to the beneficiaries attending OPDs (3 to 7 days).
4. Pending liabilities with regard to the payment of bills of drugs and dressings, electricity, water, telephone etc. have been cleared by the respective Medical Superintendents. This has resulted in streamlining the supplies and better communication with different agencies.

5. All the Medical Superintendents have entered into AMCs for capital medical equipment and have taken up repairs of the existing equipments. Action for condemnation of unserviceable equipment is being taken.
6. Individual Medical Superintendents have worked out the reorganization plans with regard to various services within the hospitals including constructional changes.
7. Contractual arrangements for security, ambulance, diet etc. are being finalised.
8. The ESI Corporation has delegated adequate powers to the Medical Superintendents to facilitate day to day functioning of hospitals.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Statement

POSITION OF EXISTING ESI HOSPITALS CONVERSION INTO MODEL HOSPITALS

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ESI Corporation is contemplating setting up of one Model Hospital in each State. In addition to the already existing Occupational Disease Centres at Delhi, West Bengal, Tamil Nadu & Madhya Pradesh, the ESIC has taken over six Hospitals, i.e. one each in Andhra Pradesh, Uttar Pradesh, Rajasthan, Punjab, Chandigarh and Kerala for converting into Model Hospitals. Three States have yet not given clear consent, i.e. Goa has not given consent, Himachal Pradesh has given conditional consent and revised consent for taking over Hospital at Bhubaneshwar instead of Rourkela in Orissa is awaited. Out of the remaining State Governments, which have given their consent dates for taking over of the hospitals have to be finalized by the State Governments.

The status of State Govt. hospitals being taken over as Model Hospitals is as follows: -

Sl. No.	State	Hospitals to be taken over as Model Hospitals	Remarks
1.	Andhra Pradesh	Nacharam, Hyderabad, 200 beds	Taken over on 1.8.2002
2.	Assam	Beltola, 50 beds	Taken over on 1.4.2003.
3.	Jharkhand	Ranchi, 50 beds	Taken over on 20.12.2002.
4.	Goa	Margao, 50 beds	State Govt. has not given consent. A D.O. letter from Labour Secretary, Govt. of India was sent on 27.11.2002 followed by a D.O. from Hon'ble Labour Minister to Chief Minister, Goa. State Govt.'s response is awaited. DG has again written to Chief Secretary on 5.2.2003.
5.	Gujarat	Bapu Nagar, Ahmedabad, 600 beds	Consent of State Govt. received. Action for commissioning the hospital is being initiated.
6.	Haryana	Gurgaon Hospital, 100 beds	Consent received & Foundation stone laid on 17.4.2002.
7.	Himachal Pradesh	Parwanoo, 50 beds	The State Govt.'s consent was conditional. ESI Corporation has conveyed to the State Govt. of Himachal Pradesh that user charges from general public will be charged as per CGHS rates. The further action regarding taking over of the hospital will be taken immediately after receipt of consent of State Govt. to this effect.

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Sl. No.	State	Hospitals to be taken over as Model Hospitals	Remarks
8.	Karnataka	Rajajinagar 500 beds	Taken over on 1.4.2003.
9.	Kerala	Asarmam, Kollam 200 bedded	Taken over on 1.1.2003.
10.	Orissa	Rourkela 50 beds	Consent was received for Rourkela Hospital. However, ESIC has asked for review of this consent and to convert ESI Hospital Bhubaneshwar, as Model Hospital. State Govt. has not agreed for handing over ESI Hospital, Bhubaneshwar. ESI Hospital, Rourkela will be taken over by ESIC.
11.	Pondicherry	Pondicherry 75 beds	Consent received, but date for take over has not been intimated by State Govt. DG has also written to Chief Secretary on 5.2.2003.
12.	Punjab	Ludhiana	Taken over on 1.11.2002
13.	Rajasthan	Jaipur 236 beds	Taken over on 1.9.2002
14.	Uttar Pradesh	Sahibabad 100 beds	Taken over on 11.12.2002.
15.	Bihar	Phulwari sharif 50 beds	Taken over on 19.12.2002
16.	Chandigarh	Chandigarh 50 beds	Commissioned on 1.10.2002.

Recommendation (Sl.No.17, para 2.90)

Identification and rehabilitation of bonded labourers

2.24 The Committee note that since the enactment of Bonded Labour System (Abolition) Act, 1976, 2,82,368 bonded labourers have been identified and out of which 2,62,225 have been reported to be rehabilitated by the State Governments/UTs with total expenditure of Rs.64,234.85 lakh and 181 bonded labourers are in the process of rehabilitation whereas 19,962 bonded labourers are not traceable. The Committee express their total dissatisfaction over the status for not rehabilitating the remaining identified bonded labourers. The Committee further desire that the efforts should be made to locate misplaced bonded labourers wherever they are in the country and also rehabilitate them. Progress made in this regard may be communicated to the Committee.

Reply of the Government

2.25 Out of the 181 bonded labourers who were reported to be awaiting rehabilitation, 125 were from Bihar and 56 from Jharkhand. Central assistance for rehabilitation of 125 bonded labourers has since been released to the Government of Bihar in March 2003. Central assistance for rehabilitation of remaining 56 released bonded labourers would be released to the Government of Jharkhand as soon as the State Government confirms that they have made necessary allocation in the State Budget in order to provide for matching share of the State Government towards rehabilitation of these bonded labourers. The figure of 19,962 bonded labourers were reported by the State Governments as untraceable due to various reasons such as death, migration or leaving the place without indicating the address etc. At present, as and when the bonded labourers are identified, the matter is followed up with the concerned State Governments for their simultaneous rehabilitation without any delay.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

CHAPTER-III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE TAKING INTO CONSIDERATION THE REPLIES OF THE GOVERNMET.

Recommendation (Sl.No.2, para 1.12)

Planning and monitoring of expenditure on prorata basis

3.1 The Committee further note that the Ministry's Budget Estimates have been reduced considerably at Revised Estimates stage during the last three years, i.e. in 2000-01 BE was Rs.98 crore and RE Rs.90 crore; in 2001-02 BE was Rs.34.64 crore and RE Rs.122.54 crore; and in 2002-03 BE was Rs.148.59 crore and RE Rs.125 crore. The Committee also note that the Budget Estimates are approved by the Parliament through Annual Budget of the Government of India usually in the month of April/May which are subsequently reduced or enhanced by the Ministry of Finance at the RE stage on the basis of expenditure incurred during the first six months of the year, i.e. upto 30 September or on pro-rata basis. The Committee, therefore, recommend that the Ministry should improve their planning and tone up their monitoring over the schemes so that reduction at RE stage could be minimal.

Reply of the Government

3.2 In the observation made by the Parliamentary Standing Committee, the figures of Plan Budget are mentioned. Although there is a reduction at RE stage, the RE allocations of Rs.125.00 crore under Plan for 2002-03 are the highest as compared to previous 5 years. Similarly, the expenditure booked for 2002-2003 amounting to about Rs.118.00 crore is also highest under Plan as compared to previous 5 years.

3.3 The reduction in allocation/ outlay at R.E stage pointed out by the Committee is basically attributable to low pace of expenditure in the first two quarters of the financial year. Through regular review meetings at the level of Secretary with Bureau Heads to monitor the progress of expenditure/schemes, a better trend of expenditure is expected. Hon'ble Labour Minister has also desired to review quarterly utilization of funds. All Bureau Heads are being advised to improve their planning and tone up their monitoring over the schemes to have uniform pattern of expenditure and also to ensure that reduction at R.E stage is minimal.

3.4 To overcome the shortfall in non-plan allocations, it has been suggested that the committed expenditure of the Ministry like contribution towards Employees' Pension Scheme which constitute about 50% of the non-plan budget should be allowed at the earliest possible date. Accordingly during 2003-04, sanction has already been issued to the extent permissible under vote on account restriction.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.5, para 2.17)

Functioning of hospitals for beedi workers and setting up of more hospitals and dispensaries

3.5 The Committee regret to note that so far only 4 hospitals and 207 dispensaries have been established to cater to the needs of 44 lakh beedi workers which is obviously quite inadequate in view of such a large number of beedi workers in different parts of the country. The Committee note that sanctions for establishing hospitals at Bihar Sharief (Bihar) were issued in April 2001 and at Sagar (MP), Mukhadal (TN) in October 2001 but these hospitals could not be made functional so far. The Committee, therefore, desire that these hospitals should be established without any further delay and also more hospitals and dispensaries should be set up to provide adequate medicare to the beedi workers who are more vulnerable to the diseases like T.B. and respiratory disorder.

Reply of the Government

3.6 The construction of hospitals at Mukhadal, Sagar and at Bihar Sharief are being executed by CPWD who have asked for 30 months time to complete the project. This much time is also required as before the start of the construction at site, a lot of work like designing, drawing and tendering etc. is involved. The matter is pursued with the CPWD on regular basis. At Bihar Sharief, the main building is under construction, at Mukhdal, piling work is going on and at Sagar designing and tendering work has been completed and the construction work is expected to start early.

3.7 It was the opinion of the Ministry of Finance that the Ministry of Labour should not directly run the hospitals and dispensaries and a system should be evolved for the involvement of NGOs, Employees Organisations, etc. for managing day-to-day affairs. After the system is established and all on going projects are completed, then only the new projects will be conceived.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.6, para 2.18)

National Floor Level Wage for beedi workers

3.8 The Committee note with concern that minimum rates of wages for beedi workers differ from State to State, i.e. Rs.38.87 per day in Arunachal Pradesh being the minimum and the highest being Rs.132.50 per thousand beedis in Kerala which clearly indicates that there is no uniformity in the wages paid to the beedi workers. The Committee desire that the matter should be pursued with the State Governments and UT Administrations to impress upon them to have at least Common National Floor Level Wage which is Rs.50/- per day for the beedi workers throughout the country where wages are less than Rs.50/-.

Reply of the Government

3.9 Under the provision of the Minimum Wages Act, 1948, both Central and State Governments are the appropriate Government to fix, revise and enforce minimum wages in scheduled employments under their respective jurisdiction. Beedi making is a scheduled employment in the State sphere. There is no uniformity in the minimum wages in different States because of variation in factors like socio-economic and agro-climatic conditions, paying capacity, prices of essential commodities, productivity and local factors. Ever since the national floor level wage was introduced by the Central Government in 1996 and revised periodically, the State Governments have been requested to ensure that in none of the scheduled employments the minimum wage was below the floor level wage. The response from the States has been encouraging. On date, there are only 8 States where the minimum wages are less than Rs.50/- per day. These States / UTs are Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Jammu & Kashmir, Maharashtra, Nagaland and Pondicherry. The Central Government has been impressing upon the State Governments in various fora and through letters to ensure that in none of the scheduled employments the minimum wages are less than the national floor level wage.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.9, para 2.38)

Introduction of more Lok Adalats

3.10 The Committee further note that the Planning Commission has approved Rs.110 lakh under the Plan Scheme to introduce 9 Lok Adalats under 4 CGITs-cum-Labour Courts, i.e. in Delhi, Chandigarh, Kanpur and Hyderabad to tide over the backlog of industrial disputes. They have been able to settle 265 cases so far. The Committee desire that the Ministry should introduce more Lok Adalats in those States where number of industrial disputes are more and are lying pending for the last many years, particularly in West Bengal, Bihar and Maharashtra.

Reply of the Government

3.11 Although an allocation of Rs.110 lakh has been earmarked for the plan scheme of 'Holding of Lok Adalats' for the Tenth Five Year Plan, the 'in-principle' approval of the Planning Commission is yet to be received.

3.12 As soon as the Planning Commission accords its approval to the operationalisation of this scheme, the process of holding Lok Adalats in those CGIT-cum-Labour Courts, where a large number of industrial disputes have been pending for long, will be speeded, to ensure that these disputes are settled as early as possible.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.11, para 2.54)

Strengthening of DGMS Organisation

3.13 The Committee are concerned to note that though under the Constitution of India, safety, welfare and health of workers employed in mines are the concern of the Central Government, i.e. Labour Ministry which besides inspection of mines, is charged with the task of undertaking investigations into all fatal accidents in coal and non-coal mines but the number of fatal and serious accidents are occurring year after year. The stereotype reasons put forth by the Ministry such as fall of roof, fall of sides, rope haulage, dumpers, etc. are not convincing to the Committee. The Committee feel that the safety norms are not properly being enforced in the mines and periodic inspections are not being carried out by DGMS due to shortage of staff. The Committee, therefore, strongly recommend that DGMS Organisation should be strengthened by providing adequate staff to enable them to carry out inspections of mines at regular intervals.

Reply of the Government

3.14 A study is being undertaken shortly through SIU to assess the actual manpower requirement in DGMS. A proposal for creation of bare minimum posts for enhancement of inspection activities and facilitate at least one General Inspection in a year of coal mines, which are prone to danger of explosion, inundation is under consideration.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.18, para 2.91)

Monitoring system for pending and settled cases relating to bonded labourers in various courts

3.15 The Committee are constrained to note that the Ministry do not have any data regarding the number of cases related to bonded labour system pending in various courts at sub-division and district levels in different States. The Committee are of the view that the monitoring of the Ministry is not up to the mark. The Committee, therefore, desire that the Ministry should pursue the matter with the State Governments/UTs to have data of such pending and settled cases relating to the bonded labourers in the various courts.

Reply of the Government

3.16 The Ministry of Labour has been requesting the State Governments from time to time to furnish the information on the number of prosecutions launched and convictions ordered for offences under the Bonded Labour System (Abolition) Act, 1976. This issue has also been discussed as one of the agenda items in the meeting held in Ministry of Labour to review the implementation of the Bonded Labour System (Abolition) Act and progress under the Centrally Sponsored Scheme for Rehabilitation of Bonded Labourers. The State Governments in general have been expressing difficulties in providing up-to-date information as the cases filed under the Bonded Labour System (Abolition) Act were pending in different Courts in various districts and sub-divisions.

3.17 Labour Secretary has written a D.O. letter to Chief Secretaries of all the States/UTs in April 2002 wherein a proforma was also sent to State Governments for sending the quarterly progress reports under the Bonded Labour System (Abolition) Act, 1976. A copy of the proforma for sending the quarterly progress report is enclosed as **Statement-I**. Part III of the quarterly progress report seeks information on prosecution cases launched under the Bonded Labour System (Abolition) Act. Most of the State Governments are yet to send the requisite information. The matter was again taken up with all the State Governments through a D.O. letter from Labour Secretary in July 2002. The information as received from various State Governments from time to time in this regard is given in **Statement-II**.

3.18 The observations of the Hon'ble Standing Committee have been noted for strict compliance in the matter. The Ministry of Labour will follow up the matter with the concerned State Governments vigorously for obtaining the requisite information on the number of cases pending in various courts relating to offences under the Bonded Labour System (Abolition) Act so that the information is received from the State Governments on a regular basis.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Statement-I

QUARTERLY PROGRESS REPORT UNDER BONDED LABOUR SYSTEM (ABOLITION) ACT, 1976

Name of the State/Union Territory _____

For the quarter ending _____

I. PROGRESS TOWARDS IDENTIFICATION, RELEASE AND REHABILITATION OF BONDED LABOURERS:

No.of Bonded Labour Identified			No. of Bonded Labour Released	No. of Released Bonded Labourers sent to other States*.	No. of Released Bonded Labourers received from other States*.	No. of Bonded bour Rehabilitated.		
Up to the end of previous quarter.	During the quarter.	Cumulative Total.				Up to the end of previous quarter.	During the quarte r	Cumulative Total.
1.	2.	3.	4.	5.	6.	7.		9.

II. CONSTITUTION AND PERFORMANCE OF VIGILANCE COMMITTEES AT DISTRICT AND SUB-DIVISION LEVELS:

No. of Vigilance Committees required to be constituted.		No. of Vigilance Committees constituted.		No. of meetings held by the Vigilance Committees during the quarter (with date).	
District Level	Sub-Divisional Level			District Level	Sub-Divisional Level
1.	2.	3.	4.	5.	6.

III. PROGRESS TOWARDS ENFORCEMENT OF THE ACT:

No. of offences of which cognizance has been taken under section 16, 17, 18, 19, & 20 of the Act.	No. of prosecutions launched.	No. of cases disposed of.			No. of cases pending in trial courts.			Remarks
		No. of cases in which imprisonment has been imposed.	No. of cases in which only fine has been imposed.	No. of case acquitted.	0-12 Months.	1-2 years.	Above 2 years.	
1.	2.	3.	4.	5.	6.	7.	8.	9.

* As and when released bonded labourers are sent to or received from other States a report indicating details of released bonded labourers and the names of the States is required to be sent to the Ministry of Labo**ur by the sending as well as receiving State**, so that rehabilitation of these bonded labourers is coordinated properly.

Statement-II

PROSECUTIONS LAUNCHED FOR VIOLATION OF VARIOUS PROVISIONS OF THE BONDED LABOUR SYSTEM (ABOLITION) ACT, 1976 AS REPORTED BY THE STATE GOVERNMENTS.

S.No.	Name of the State	No. of Prosecutions launched/persons prosecuted
1.	Gujarat	2
2.	Punjab	3
3.	Bihar	149
4.	Rajasthan	324
5.	Madhya Pradesh	324
6.	Haryana	6
7.	Tamil Nadu	2
8.	Maharashtra	681
9.	Orissa	407
10.	Karnataka	199
11.	Andhra Pradesh	212
12.	Uttar Pradesh	2421*@
13.	Arunachal Pradesh	Nil
	TOTAL	**4859**

*@

Acquitted - 1,193
Convicted - 1,228
Fine realized - Rs.99,450/-

@ OUT OF 2421 CASES: FOLLOWING IS THE OUTCOME:

Acquitted - 1,193
Convicted - 1,228
Fine realized - Rs. 9,90,450/-

As reported on 4.4.2002 vide State Government letter No. 423/36-3-2002 dated 4.4.2002.

Recommendation (Sl.No.19, para 2.108)

Revision of minimum wages and linking thereof to the Consumer Price Index

3.19 The Committee are constrained to note that there is a widespread disparity in the minimum wages across the country, i.e.Rs.39.87 to Rs.42.11 in Arunachal Pradesh and Rs.45.00 to Rs.116.55 in Maharashtra. In some of the States the minimum wages are even below the floor level wages fixed by the Central Government. The Committee note that 22 States/UTs have been able to link minimum wages with variable dearness allowance (VDA). The Committee, therefore, desire that the Ministry should take up the issue with the State Governments/Union Territory Administrations and ensure that the minimum wages for any scheduled employment fixed by the State Governments/UTs is kept at least at the National Floor Level minimum wages which is Rs.50/- per day. The Committee also desire that the Minimum wages should be revised where these have not been revised so far. Also, vigorous efforts should be made to pursue the State Governments/UTs to link the minimum wages to the Consumer Price Index and revise the variable dearness allowance after every six month or when Consumer Price Index increases by 50 points whichever is earlier.

Reply of the Government

3.20 The reasons for disparity have been explained in para 2.18. As on date, there are only eight States/UTs where the minimum wages are below the present national floor level wage of Rs.50/- per day. This Ministry has been urging all the State Governments from time to time to ensure that the minimum wages in all the scheduled employments are above the national floor wage. As regards revision of minimum wages the State Governments have been undertaking revision periodically. This Ministry has also been requesting State Governments to adopt the concept of linking the minimum wages with the Consumer Price Index. Twenty-two States/UTs have informed that they have accepted the concept. In other States, where dearness allowance is not a component of minimum wages, the wages are aimed to be revised every two years. The Central Government is also using VDA and revising the minimum wages every six months.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.21, para 2.110)

Amendment in the Minimum Wages Act to define the term "Minimum Wages" or criteria / norms for fixing the Minimum Wages

3.21 The Committee are surprised to note that though the Minimum Wages Act, 1948 was enacted for statutorily fixing the minimum remuneration payable to workers employed in industries where the payment was substantially lower than in similar industries, but has failed to define the term "minimum wages" or to lay down any norms/criteria for fixation of minimum wages in the Act. The Committee also note that there are several concepts in vogue. The Committee, therefore, desire that the Ministry should bring out an amendment in the Minimum Wages Act to define the term "Minimum Wages" or criteria/norms for fixing the minimum wages so that it may become obligatory on the part of the employer to pay the said wages irrespective of his capacity to pay.

Reply of the Government

3.22 The Minimum Wages Act has neither defined minimum wages nor has it laid down norms / criteria for fixation thereof. In the absence of any standard methodology, the norms recommended by the Indian Labour Conference in 1957 are taken into account while fixing the minimum wages. These norms, which are broadly need based, include the requirements of food, clothing, rent, fuel, children's education, marriage, medical and provisions for old age, etc.

3.23 A Working Group has been constituted with Labour & Employment Adviser as its Convener to go into the codification of the concept of minimum wage listing out guidelines based on the critical evaluation of various parameters and study the problem of implementation of minimum wages. The Working Group is expected to submit its report shortly. The report will be considered and placed before the Central Advisory Board set up under Section 8 of the Minimum Wages Act.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

CHAPTER-IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION.

Recommendation (Sl.No.4, para 2.16)

Issuance of identity cards to the remaining beedi workers

4.1 The Committee are concerned to note that the Government have identified 44,88,469 beedi workers in various parts of the country, but identity cards to 4,76,440 beedi workers are still to be issued by them. The Committee feel that in the absence of identity cards, remaining beedi workers have been deprived of the benefits under the welfare schemes. The Committee, therefore, recommend that the State Government be persuaded for issuance of identity cards to the remaining beedi workers.

Reply of the Government

4.2 The figure of 4.5 million beedi workers is an estimate without an exact idea of its actual geographical spread. The Labour Welfare Organisation has not denied any bonafide worker who has desired for a identity card, so workers are not deprived of welfare benefits on account of this. The Labour Departments of various State Governments have time and again been requested to ensure that the employers issue identity cards to their workers as required under the Act. Moreover, State Governments are also, time and again, being reminded to organise issue of identity cards on campaign basis.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Comments of the Committee

(Please see Para 1.7 of Chapter-I of the Report)

Recommendation (Sl.No.8, para 2.37)

Filling up of vacant posts in Central Government Industrial Tribunals-cum-Labour Courts (CGITs)

4.3 The Committee are concerned to note that 11,364 industrial disputes and 3,829 applications under various Labour Courts were pending for disposal during the year 2002 and the Ministry have failed to set up 5 new CGITs at Ahmedabad, Ernakulam, Guwahati, Chandigarh and Delhi which were proposed during the 9th Five Year Plan as the Ministry of Finance did not give concurrence to the creation of required number of supporting staff. The Committee also note that the posts of Presiding Officers in CGITs at Kolkata and Nagpur have not been filled up. The Committee are of the view that the industrial workmen are the ultimate sufferers if their cases are not resolved in time and, therefore, desire that the Ministry should take up this matter with the Ministry of Finance and set up these CGITs-cum-Labour Courts without further delay so that the mounting backlog of cases of the aggrieved workmen are disposed of in the quickest possible time. The Committee also desire that the vacant posts of the Presiding Officers in 2 CGITs at Kolkata and Nagpur should be filled up without further delay.

Reply of the Government

4.4 An amount of Rs.110 lakh was earmarked in the Plan Budget for the year 2002-2003 for setting up of 5 new CGIT-cum-Labour Courts. The 5 new CGIT-cum-Labour Courts could not be set up so far due to non-receipt of the concurrence of the Ministry of Finance for creation of essential posts. The matter was taken up with the Ministry of Finance at various levels. The Labour Minister took up the matter with the Finance Minister and conveyed the concern of the Standing Committee and urged him to agree to the creation of posts. The Ministry of Finance had agreed to creation of 10 posts vide their ID No.500-E Coord dated 04.04.2002. It was not possible to make CGIT-cum-Labour Courts function with one post of Presiding Officer and one post of Secretary to the Presiding Officer. Subsequently, after the intervention of LM, they agreed for creation of another 15 posts on 06.03.2003. Thus, the concurrence of the Ministry of Finance was received on 6-3-2003 for creation of 25 posts.

4.5 Action has already been initiated for nomination of Presiding Officers for the new CGIT-cum-Labour Courts and identification of sites for location of the CGIT-cum-Labour Courts which will be set up in Ahmedabad, Ernakulam, Guwahati, Chandigarh and Delhi.

4.6 So far as the vacant post of Presiding Officer in the CGIT-cum-Labour Court, Kolkata is concerned a panel of names of eligible judicial officials received from the High Courts of Patna and Kolkata has been under submission for selection. Subsequently, a proposal of the selected names will be sent to the ACC for its approval.

4.7 As for the vacant post of the Presiding Officer in the CGIT-cum-Labour Court, Nagpur, Registrars of the High Courts of Maharastra, Madhya Pradesh, Gujarat, Tamil Nadu, Karntaka and Andhra Pradesh have been requested to send panels of names of eligible and willing judicial officials on 07.03.2003 and 31.03.2003. The matter is being pursued with them.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Comments of the Committee

(Please see Para 1.11 of Chapter-I of the Report)

Recommendation (Sl.No.24, para 2.120)

Legislation to ameliorate the working and living conditions of workers engaged in fish processing industry

4.8 The Committee note with concern that there is no legislation for about 1.5 lakh workers engaged in the fish processing industry for providing social security and regulating their service conditions. Even though Hon'ble Prime Minister had assured during 1999 in Rajya Sabha to improve their working conditions but nothing has been done so far for them. The Committee, while expressing their concern, recommend that the Government should bring a legislation in the Parliament in consultation with the State Governments to ameliorate the working and living conditions of the workers engaged in the fish processing industry thereby providing them the social security cover.

Reply of the Government

4.9 The Government had constituted an Inter-Ministerial Task Force to study the living and working conditions of the workers in the fish processing industries. The recommendations of the team include promotion of cooperatives, setting up of a centralized recruitment agency and enforcement of Inter-State Migrants Workmen Act, 1979, setting up of welfare fund and providing other facilities within the workplace premises such as banking facility, etc. The recommendations are being examined in consultation with State Governments and other concerned to initiate appropriate measures for their welfare. A meeting at the level of Labour Secretary was also held in March, 2002 with the concerned Ministries, Marine Product Export Development Authority (MPEDA), and the Seafood Association of India etc. The Seafood Association of India and MPEDA were impressed upon to take suitable measures for improvement in the living and working conditions of the workers engaged in these units.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Comments of the Committee

(Please see Para 1.14 of Chapter-I of the Report)

CHAPTER-V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES HAVE NOT BEEN RECEIVED.

Recommendation (Sl.No.1, para 1.11).

Non-approval of Certain schemes by the Planning Commission

5.1 The Committee take note that out of allocation of Rs.14,859 lakh, the Ministry has been able to utilize only Rs.10,322.99 lakh, i.e. 69% of the Budget Estimates upto February 2003. The expenditure on certain schemes such as DGFASLI, DGMS, Rehabilitation of Bonded Labour, Child Labour, Women Cell, Grants-in-aid to Research & Academic Institutions and Welfare of SC/ST & other Backward Classes are not up to the mark. Even on certain schemes such as on Hiring of Lok Adalat, Employment – Grants-in-Aid, Training Scheme for Personnel and Modernization of Section and Awareness Generation, there has been no expenditure at all. The reasons put forth by the Ministry for shortfall in the expenditure and zero expenditure are due to non approval of certain schemes by the Planning Commission relating to training and employment during the first year of the Tenth Five Year Plan. Out of the 17 schemes, the Planning Commission approved only one scheme and the remaining 16 schemes are still under consideration of the Planning Commission. The Committee are, therefore, of the opinion that the Ministry could not convince the Planning Commission about the urgency and significance of the new schemes. The Committee, therefore, recommend that the Ministry should make extra efforts to get the remaining schemes pertaining to Training and Employment approved well in advance from the appropriate authority. The Committee further desire that in future the Ministry should not only ensure that the funds allocated for various schemes are utilized during the same financial year but also devise effective steps to improve its monitoring over the respective schemes.

Reply of the Government

5.2 Out of the 17 new scheme proposals of DGE&T which were submitted to Planning Commission, 2 schemes have been approved by the Planning Commission, and 7 have been dropped. 3 schemes are pending with the Planning Commission and on 5 schemes, queries raised by the Planning Commission are being replied to by the Ministry. The matter is being pursued vigorously with the Planning Commission at appropriate levels.

5.3 The Ministry notes the observations made by the Committee and assures the Committee that all efforts would be made by this Ministry for full utilization of funds for various schemes during the same financial year by devising effective steps to improve the monitoring of the schemes. The present dispensation whereby Secretary, Ministry of Labour holds periodical meetings with all Divisional Heads of the Ministry to review the progress of plan schemes suggesting the steps to overcome the bottlenecks has been further augmented.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.3, para 2.15)

Identification of exact number of beedi workers in the country

5.4 The Committee are surprised to note that no comprehensive survey has been carried out by the Government to identify the beedi workers in the country. The Committee have been informed that Labour Welfare Organisations have been asked to identify beedi workers in their respective areas. The Committee are of the view that the actual strength of the beedi workers is much more than the figure provided by the Government. The Committee, therefore, strongly recommend that a fresh and comprehensive survey should be conducted to identify the exact number of beedi workers in the country.

Reply of the Government

5.5 The Labour Welfare Organisation has a very lean administrative structure towards keeping low administrative costs. Any comprehensive survey will require substantial resources in terms of manpower and funds at the cost of labour welfare activities for which Labour Welfare Organisation primarily exists. In view of this, Labour Welfare Organisation depends mainly upon the figures provided by the State Labour Departments and supplements that by its own efforts carried out by the medical staff while extending health care in their areas of operation. The State Governments have been asked further to carry out comprehensive fresh survey and prepare a database of workers.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl. No.16 para 2.76)

Revision of Wage ceiling to widen the coverage of ESI Scheme

5.6 The Committee note with concern that the coverage of the insured persons have been reducing during the last few years as the wage ceiling, i.e. Rs.6,500/- was fixed in the year 1997. The Committee observe that a large number of employees have gone out of the purview of this scheme due to low ceiling and, therefore, desire that the Ministry should revise the wage ceiling to Rs.10,000/-.

Reply of the Government

5.7 In order to extend the coverage under the ESI Scheme to new areas, a phased programme is prepared every year in consultation with the State Governments. The State Governments are required to make necessary arrangements for providing medical care and after they do so, the Scheme is implemented in new areas. However, due to various constraints, the State Governments are not able to make the arrangements as per the targets. The position under phased programme during the last three years is as under: -

Year	Target		Achievement		Total Employees as on 31 March
	Areas	Employees (in Lakh)	Areas	Employees (in Lakh)	
2000-2001	71	1.67	55	79,509	77.54
2001-2002	51	1.44	23	34,075	71.59
2002-2003	44	1.10	46	58,635	To be assessed

5.8 A proposal to enhance the wage ceiling for coverage of workers under the ESI Scheme from R.6,500/- to Rs.10,000/- has been under consideration of the ESI Corporation for quite some time. The Verma Committee has also recommended enhancement of the same from Rs.6,500/- to Rs.9,000/- with a provision for automatic adjustment every year. The matter is under consideration of the ESI Corporation in consultation with the stake holders, viz. employees, employers and the Government.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl. No.20, para 2.109)

Strengthening of enforcement machinery for implementation of the Minimum Wages Act.

5.9 The Committee are unhappy to note that the number of claim cases filed during the year 2001-2002 are increasing and in the State sphere the condition is worst in respect of cases filed and cases settled and in some of the States/UTs, the Minimum Wages Act has not yet been extended. In the opinion of the Committee, the Act is not being implemented in letter and spirit due to inadequate enforcement machinery and also the penalty under section 22 of the Act being minimal does not have any deterrent effect on the offending employers. The Committee, therefore, desire that the enforcement machinery should be strengthened and also suitable amendment in the Act for enhancement of punishment be made.

Reply of the Government

5.10 The enforcement of the Minimum Wages Act, in the State sphere, is secured through the State enforcement machinery. The State Governments fix the strength of the enforcement machinery depending upon the number of establishments to be inspected by the officers of the machinery. As regards the Central sphere, the officers of the Central Industrial Relations Machinery ensure the enforcement. Although a need has been felt to augment the machinery, the present policy of the Government is not to create additional posts. Regarding amendment of the Minimum Wages Act, certain amendments to make the legal and penal provisions more deterrent had been under consideration of the Government. The Government in pursuance of the recommendations of National Commission on Labour is also exploring enactment of a comprehensive Law on Wages incorporating more stringent provisions against the defaulting employers.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl No.22, para 2.113)

Protection of interests of the workers in the unorganized sector and extension of social security schemes for them

5.11 The Committee note that though the Ministry of Labour has enacted several laws and schemes for the welfare of workers in the organized sector yet much is needed to be done for the workers in the unorganised sector who constitute by and large 93% of the total work force in the country as per the survey carried out by the National Sample Survey Organisation in the year 1999-2000. The total employment in both organized and unorganised sectors in the country was of the order of 39.7 crore, i.e. around 2.8 crore in the organized sector and the balance 36.9 crore in the unorganised sector. The Committee, therefore, recommend that the Ministry should take urgent steps in consultation with the State Governments to protect the interests of the workers in the unorganised sector and bring them under various social security schemes available to the labourers in the organized sector.

Reply of the Government

5.12 The Government have taken various initiatives through enactment of legislations, creation of welfare funds and spreading workers' education to bring this deprived class into the main stream of our workforce. Some of the important legislations are: Minimum Wages Act, 1948; Workmen's Compensation Act, 1923; Maternity Benefit Act, 1961; Bonded Labour System (Abolition) Act, 1976; Contract Labour (Regulation & Abolition) Act, 1970; Inter-State Migrant Workmen (RE&CS) Act, 1979, the Building and Other Construction Workers (RECS) Act, 1996; the Building and Other Construction Workers Welfare Cess Act, 1996; etc.

5.13 The Government has constituted Welfare Funds for various categories of workers. These are: Mica Mines Labour Welfare Fund, 1946; Iron Ore Mines Labour Welfare Fund, 1961; Manganese Ore Mines Labour Welfare Fund, 1978; Chrome Ore Mines Labour Welfare Fund, 1982; Beedi Workers Welfare Fund, 1976; Cine Workers Welfare Fund, 1981 to provide certain welfare/social security schemes like medical care, education to the children, group insurance, housing, etc. The Government is also operating an insurance-cum-pension scheme namely Krishi Shramik Samajik Suraksha Yojana-2001 for the agricultural workers in 50 districts and Janshree Bima Yojana for the people below and marginally above the poverty line which inter-alia, include workers in the unorganised sector. Further, the Government is implementing various poverty alleviation/employment generation schemes like Swaranjayanti Gram Swarojgar Yojana, Pradhan Mantri Gram Sadak Yojana, Sampoorna Grameen Rojgar Yojana, etc. through various Ministries/ Departments to provide some social security measures to these workers.

5.14 The Ministry of Labour is also attempting to bring forward a law to regulate the employment, conditions of service and to provide social security/welfare measures to the workers in the unorganised sector.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

Recommendation (Sl.No.23, para 2.117)

Krishi Shramik Samajik Suraksha Yojana 2001- need for approval thereof under Plan Scheme

5.15 The Committee take note of the fact that there are 10.7 crore agricultural labourers which constitute by far the largest segment of the workers in the unorganised sector. The Committee have been consistently recommending to the Government to bring a comprehensive legislation for the welfare of agricultural workers but due to certain reservations expressed by few State Governments, the proposal of comprehensive legislation could not be materialized. However, to meet the social security needs of the agricultural workers, a scheme namely the Krishi Shramik Samajik Suraksha Yojana-2001 was launched in 50 identified districts in the country through the Life Insurance Corporation of India to cover10 lakh agricultural workers over a period of three years on pilot basis. About 1.01 lakh agricultural workers have been covered under the scheme upto 31.3.2002. Now the Planning Commission has not approved the scheme for the 10th Five Year Plan and the Planning Commission and the Ministry of Finance have not provided the funds. The Committee express their grave concern over unfortunate decision of Planning Commission which has ignored the social security needs of the gigantic agricultural workforce. The Committee, therefore, strongly recommend that the Ministry should take up this matter at the highest level with the Expenditure Finance Committee (EFC) and the Planning Commission for early approval of the Scheme under Plan Scheme.

Reply of the Government

5.16 The Krishi Shramik Samajik Suraksha Yojana-2001 has been launched in 50 identified districts in the country through the Life Insurance Corporation of India to cover 10 lakh agricultural workers over a period of three years on pilot basis. The scheme envisages to provide life-cum-accident insurance, money back, pension and superannuation benefits. For the year 2001-2002, the Government contribution under the scheme has been met from the Social Security Fund. The availability of funds for the remaining period is yet to be made. The matter has already been taken up at the highest level and a decision is likely to be taken shortly.

[Ministry of Labour O.M. No11013/6/2003-coord. Dated 24.06.2003]

New Delhi:
December 2003
Agrahayana 1925 (Saka)

Dr. SUSHIL KUMAR INDORA,
Chairman
Standing Committee on Labour and Welfare

APPENDIX

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE THIRTY-SECOND REPORT OF THE STANDING COMMITTEE ON LABOUR AND WELFARE (THIRTEENTH LOK SABHA)

			Total	**Percentage**
I.	Total number of Recommendations	24		
II.	Recommendations/Observations which have been accepted by Government (Sl. Nos. 7,10,12,13,14,15 and 17)		7	29.2%
III.	Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies (Sl. Nos. 2,5,6,9,11,18,19 and 21)	8	33.3%	
IV.	Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee and which requires reiteration (Sl. Nos. 4,8 and 24)		3	12.5%
V.	Recommendations/Observations in respect of which final replies of Government are interim in nature (Sl. Nos. 1,3,16,20,22 and 23)		6	25%